

To the Members of the California State Senate:

While I commend Sen. Sheila Kuehl's commitment and dedication to providing health care coverage for all Californians, I must return SB 840 without my signature because I cannot support a government-run health care system.

Socialized medicine is not the solution to our state's health care problems. This bill would require an extraordinary redirection of public and private funding by creating a vast new bureaucracy to take over health insurance and medical care for Californians - a serious and expensive mistake. Such a program would cost the state billions and lead to significant new taxes on individuals and businesses, without solving the critical issue of affordability. I won't jeopardize the economy of our state for such a purpose.

SB 840 relies on the failed old paradigm of using one source - this time the government - to solve the complex problem of providing medical care for our people. It uses the same one-sided approach tried in SB 2, the employer-mandated coverage measure signed into law before I became governor. I opposed SB 2 because it placed nearly the entire burden on employers, and voters repealed it in 2004.

I want to see a new paradigm that addresses affordability, shared responsibility and the promotion of healthy living. Single payer, government-run health care does none of this. Yet it would reduce a person's ability to choose his or her own physician, make people wait longer for treatment and raise the cost of that treatment.

With my partners in the Legislature, I look forward in 2007 to working to develop a comprehensive and systemic approach to health care that not only provides affordable medical treatment to people when they are ill, but that strives to make sure people don't get sick in the first place. An approach that supports cost containment and recognizes the shared responsibility of individuals, employers and government. That promotes personal responsibility and builds on existing private and public systems.

As part of this comprehensive approach, my administration already has worked hard on the fight against obesity, a leading cause of disease in this country.

I signed the landmark Healthy Schools Now Act, which bans junk food and sugar-laden drinks in public schools. Our budget included \$18 million to replace that junk food with fresh fruits and vegetables so we can start promoting healthy living choices for our youngsters. Recently I signed AB 2384 (Leno) to make fruits and vegetables more affordable and accessible in low-income communities and AB 2226 (Garcia) to help inform 7th grade students and their parents or guardian(s) of the risk of Type 2 Diabetes.

Our efforts to effectively prevent and detect diseases extend far beyond obesity prevention. I recently signed legislation to ensure early detection of hearing loss through newborn hearing screenings (AB 2651- Jones). Since I've taken office we have expanded newborn health screenings from 33 to 85, dramatically increasing the ability to prevent or detect disease early to keep our children as healthy as possible from the beginning.

On the question of access, I've made children's coverage a priority, resulting in nearly a quarter million additional children covered by our Medi-Cal and Healthy Families programs. Building on an \$80 million budget investment to target uninsured children who are eligible, but not enrolled in state health care programs, I signed legislation to eliminate roadblocks to coverage, streamline enrollment for Medi-Cal and Healthy Families and reduce the number of kids that lose coverage due to administrative barriers. (SB 437 – Escutia, AB 1948 – Montanez, and AB 1851 – Coto)

And on the question of affordability, I reached agreement with the Legislature to provide discounts on prescription drugs of up to 40 - 60 percent off brand name and generic drugs for our neediest citizens.

But we're not stopping there.

I convened a California Health Care Summit in July that for the first time brought together experts on all sides of this issue. At the table with us were representatives from academia, government, business, health care and labor. From that summit and follow-up meetings, there emerged a strong sense of how to proceed on health care reform. Affordability is the key to making our system work for everyone, and affordability is exactly what we are dedicating ourselves to.

By implementing a statewide plan advancing health information technology that I called for in a recent executive order, we can shave billions of dollars off healthcare costs in California.

By creating the 500 elementary school-based health centers I called for in our Health Summit, medical treatment will be more accessible to our children who need it most and they can avoid costly emergency care. We have made progress toward this goal by enacting legislation (AB 2561 – Ridley-Thomas) to support California's school health centers by increasing cross-agency collaboration, gathering data about services delivered in school health centers throughout the state and providing technical assistance to aid in the development of new and existing school health centers.

With the same willingness to compromise that we showed this past legislative session on issues like global warming, I know we can reach our goals. I look forward to working with Sen. Kuehl and other members of the Legislature, as well as the experts who participated in our summit and other stakeholders, to create a healthier California.

For these reasons, I am returning SB 840 without my signature.

Sincerely,

Arnold Schwarzenegger